

**PEMBROKE**  
AT DUBLIN FOUR





Pembroke provides a unique opportunity to create a vibrant waterfront community strategically located between the City and Dublin Bay.





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## PEMBROKE BY NUMBERS



Pembroke at Dublin 4 represents an unrivalled and unique development opportunity which offers the prospect of creating a truly visionary urban quarter.



Up to 3,500  
Apartments.



Potential to deliver approximately;  
> 1,000,000 sq. ft. of  
commercial space.

# 37.2

Approximately 37.2 acres  
(15 hectares). Equivalent in size to  
the entire South Docklands.



4.84 acres (1.96 hectares)  
of parks and open space.



Equivalent in size to the entire  
South Docklands, which comprises  
approximately 1,500 residential  
units and over 2.25 million sq. ft.  
of commercial space.



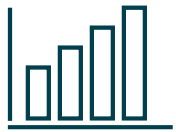
Strategic Development Zone (SDZ)  
Planning Scheme providing a  
streamlined planning process.



Approximately 3km from Dublin  
City Centre and 1km for  
Dublin Docklands.



Waterfront location  
overlooking Dublin Bay.



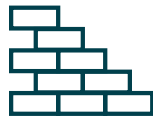
### Economic Factors

- Ireland remains one of the fastest growing economy in the EU last year
- Economic output increased 6.7% in 2018
  - Dublin's population is rising by 2% per annum



### Residential Rental Market

- Vacancy levels at 1.2%
- This is 4% below the natural vacancy rate of 5.2%
- Dublin rent increasing by 8.5% per annum



### Residential Market Conditions

- Residential completions increased by 23.2% Y/Y in Q1 2019
- 18,828 residential dwellings developed nationally in the past 12 months
- Dublin has 28.3% of national population with 26.8% of housing stock



### Employment

- Employment growing with 81,200 jobs created in the 12 months to March 2019
- Unemployment has fallen to 4.5%
- Real aggregate disposal income growing by 5.3% per annum



### Residential Sales Market

- Transactions increased by 4.6%Y/Y nationally in Q1 2019
- New home sales are up 20.4% Y/Y
- Prices rising by 3.1% per annum nationally



### Office Leasing Activity

- Total take-up of 345,783 sq. m. in 2018
  - 25% increase Y/Y
- 2019 set to continue with 130,235 sq. m. in Q1.







# ASSET OVERVIEW

With a total area of approximately 37.2 acres (15 hectares), Pembroke is the largest mixed used development opportunity in Dublin City, equivalent in size to the entire South Docklands.

Significant pre-development works have been completed including approval of the Poolbeg West SDZ Planning Scheme, remediation of a significant portion of the site, the lodgement of a planning application for Phase 1 infrastructure, public realm and amenity spaces as well as the preparation of a public realm and transportation Masterplan for the site. (Ref: PWSDZ 3270/19).

- Becbay lands – Substantially remediated<sup>1</sup>
- Fabrizia lands – To be remediated

<sup>1</sup> See Transaction Data Room for details of extent of historic remediation works.



Indicative boundary  
(see Transaction Data Room for details).





# THE OPPORTUNITY

Request for expressions of interest invited through an open market process to acquire an 80% share (by way of share subscription) of the NAMA entity holding lands located at Pembroke, Dublin 4. The lands comprise of approximately 37.2 acres (15 hectares) within the Poolbeg West SDZ Planning Scheme.

The request for expressions of interest document (REI) and other key information can be accessed via [pembrokedublinfour.com](http://pembrokedublinfour.com). Instructions on how to bid for the opportunity are contained in the REI document.

This transaction is not deemed to be a public works, goods or services contract as defined under Directive 2014/25/EC and as implemented in Ireland by the European Union (Award of Public Authority Contracts) Regulations 2016, and is therefore not being run under any procurement procedure governed by these rules.







# DUBLIN AS A DESTINATION

**Dublin is Ireland's political, cultural and economic capital which is home to many of the world's leading corporations.**

Its position within Europe means that Dublin is accessible within a short flight of most major European cities.

Home to more than a quarter of Ireland's population, the City has more than 1.3 million residents. Currently expanding by around 26,600 persons per annum, Dublin is one of Europe's fastest growing cities making it a highly attractive investment location.

Some 50,500 net additional jobs were created in Ireland during 2018, with Dublin accounting for more than half of these. Nearly 60% of new jobs in Dublin were in office-based sectors. A young, skilled workforce and a competitive business approach has established Dublin as the city of choice for the EMEA Headquarters of many of the world's leading tech companies, including Google, Facebook, Twitter, LinkedIn and Amazon.







# A NEW WATERFRONT DESTINATION





## THE LOCATION

Commanding a prime coastal position within Dublin City, Pembroke offers the largest single mixed-use development opportunity in Dublin City.

The site's pivotal position within an established premium residential area with connectivity to the Central Business District, provides the potential to create a sought after business address while the waterside setting will provide future residents and occupiers with spectacular views overlooking Dublin Bay and beyond to the Dublin mountains.

Close to Dublin's thriving Docklands with unique frontage to Dublin Bay, Pembroke provides potential to create an exciting urban neighbourhood that will transform the local skyline and surrounding landscape, taking its place as the city's most modern and sustainable urban district.

**“The scale of Pembroke offers the potential to create a new city quarter for living, working and relaxing.”**







## CONNECTIVITY









The Pembroke lands are within walking distance of Dublin City Centre. An opportunity exists to develop a modern mixed-use campus, supported by sustainable public transport, car sharing walking and cycling. These transport solutions will not only benefit the Pembroke lands, but also the surrounding neighbourhoods of Ringsend, Irishtown and Sandymount.

The Dublin to Rosslare Rail Line is situated approximately 1km – 1.5km from Pembroke, with the Sandymount and Lansdowne Road DART Stations closest to the site. 'The Point' Luas station (light rail) is approximately 20 minutes' walk from Pembroke. The National Transport Authority strategy 2016–2035 includes a proposal to extend this Luas line to Pembroke, including a stop on Sean Moore Road and to also increase the frequency of DART services at nearby stations. Wider public transport improvements are also proposed, including the Sutton to Sandycove cycle route that directly benefits the site.











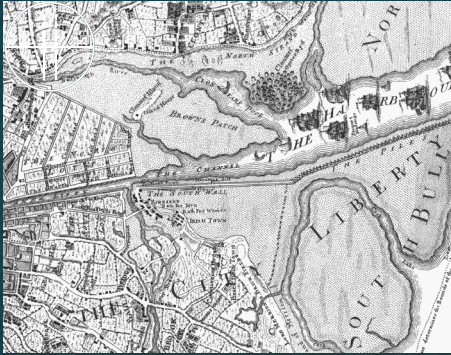
# TRANSPORT

-  Luas Green Line
-  Luas Red Line
-  Irish Rail & DART
-  Dublin Bus
-  Core Bus Route 1  
(10min Frequency)
-  Existing Route 18 Bus Route
-  Existing Aircoach Service (703)

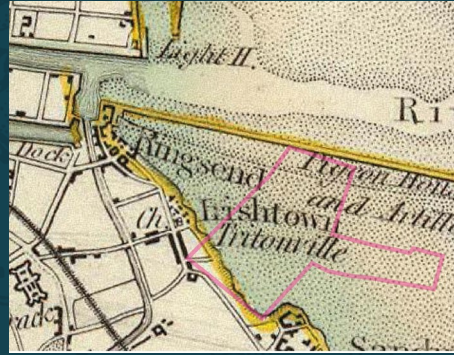
## Proposed transport links

-  Proposed Bridge
-  Proposed DART underground connector (indicative)
-  Proposed Luas
-  Core bus Route 15a Extension  
(10 min Frequency)
-  Route 18 Extension
-  Shuttle Bus – Clontarf Dart Station to Poolbeg





Extract of Rocque's Survey of the City of Dublin, 1760.



Poolbeg 1837, with the SDZ boundary indicated in pink.

# A BRIEF HISTORY OF PEMBROKE



Former Glass Bottle factory structure viewed from Sean Moore Road



Poolbeg West 2003 before demolition of IGB buildings

## Poolbeg Peninsula

Poolbeg Peninsula was once sea and marshlands of the River Liffey. The river ran in an irregular channel until the first breakwater was constructed in beginning of the 18th century to protect the south side of the channel at the mouth of the harbour.

By the beginning of the 19th century, Dublin Bay became too shallow for larger ships and the North Wall was built to deepen the river channel. The lands of Poolbeg Peninsula were reclaimed in the 18th century.

In the late 18th century, the site was taken by the military until the end of the 19th century, when the land was sold to Dublin Corporation. Land reclamation continued, and the peninsula became a service and industry hub for the city of Dublin.

## The Irish Glass Bottle Company

The Irish Glass Bottle (IGB) Company took advantage of the sand available in Ringsend, and the proximity of the port for the supply of coal, used to melt the sand. They started making black bottles for porter with sand from Dublin Bay and lime and clay from Clontarf.

In 1880, the Irish Glass Bottle Company made 86,400 bottles a week, becoming a major employer in Dublin. The company developed and expanded and in the 1980s became one of the most modern factories in Europe. The factory eventually closed in 2002, marking the end of the glass bottle making tradition in Ringsend.



Extract from Public Realm Masterplan application (Allies and Morrison, June 2019)





# A NEW CITY QUARTER AT DUBLIN BAY





## THE VISION

The Poolbeg West SDZ Planning Scheme recognises the potential for the creation of a new urban quarter with a focus on public realm where residents, employees and visitors can live, work and play.

Successful residential developments need a mix of local amenities, shops, workplaces, schools, public spaces and different housing types. This mix builds a stronger, more resilient community with a vibrancy and vitality of its own.

The ambition for Pembroke is to see the transformation of 37.2 acres (15 hectares) of former industrial/brownfield lands into an integrated and vibrant urban neighbourhood with a balanced mix of residential, offices, retail, hotels, student accommodation, cultural/community, leisure, restaurants, bars and open air public amenity space within walking distance of Dublin City Centre.

The potential of Pembroke is visible from the shores of Dublin Bay, where occupiers will have the ability to take in the natural and existing amenities.

The visions for the Poolbeg Peninsula, past and present, have all sought to connect with the transport infrastructure and social and economic fabric of the City, to create a new high quality 'place' that is unique and to protect the surrounding environment and ongoing functions of the port and municipal facilities. These themes of 'Connect', 'Create' and 'Protect' encompass a holistic set of values that form the basis of a new three-tiered vision for the development of Poolbeg West.

## CONNECT

with the physical, environmental, economic and social fabric of the city, the bay and adjoining neighbourhoods.

## CREATE

a new sustainable urban neighbourhood that responds to the area's unique location and enhances the enjoyment of local amenities.

## PROTECT

the special status of Dublin Bay and the amenity of existing and future residents.





# PLANNING

## Poolbeg West SDZ Overview

Lands at Pembroke were designated as an SDZ area on 18 May 2016 by Government Order (S.I. No. 279 of 2016). The Poolbeg West SDZ Planning Scheme was subsequently prepared by Dublin City Council and confirmed by An Bord Pleanála on 9th April 2019 and provides a clear statutory framework that sets the type and extent of development permissible. This provides the key building blocks and structuring principles around which housing can be developed, supported by community, retail, commercial and leisure uses.

A public realm Masterplan has been prepared and submitted to Dublin City Council that realises the ambitions of the Planning Scheme. It extends the urban fabric of the city towards the shore and connects and integrates Pembroke with its unique environmental setting while protecting the special status and amenity of Dublin Bay. It sets the principal public realm elements and provides a clear hierarchy of open space to create a unique urban quarter that provides the key ingredients that make for successful neighbourhoods. It has sustainability at its heart.



The Planning Scheme provides for up to 3,500 new homes, supported by community, retail, education and leisure uses as well as 1,000,000 sq. ft. of commercial space within a hierarchy of neighbourhood and village greens and squares.

Development proposals that are consistent with the objectives of the SDZ Planning Scheme must be granted planning permission by Dublin City Council and no third party appeal can be made to An Bord Pleanála in this respect. This provides for a certain and expedient planning process that facilitates early development and realises the statutory objectives for the Pembroke site.

— SDZ boundary  
— Indicative site boundary





Extract from Public Realm Masterplan application (Allies and Morrison, June 2019).

— Indicative site boundary — Masterplan Block boundary





“Pembroke offers up to 3,500 new homes, supported by community, retail, education and leisure uses as well as 1,000,000 sq. ft. of commercial space”

### Building Heights and Block Layouts

The prevailing height in the Planning Scheme is 6 to 7 storeys but there are several locations where heights of 8 to 9 storeys are permissible. An additional set back floor is also permitted in these locations. There are nine locations for landmark/gateway buildings within the site that can be 12, 16 and 18 storeys. While there is one location in the centre of the scheme for a 20 storey building.

### Infrastructure Planning Application

The design team has engaged in comprehensive consultation with Dublin City Council Planning, Roads, Parks, Infrastructure and Transportation and Water services departments and this engagement has informed the approach, development and detail of the Masterplan and Phase 1 Public Realm and Infrastructure Planning Application. The Masterplan is required to accompany the first of the planning applications in the SDZ.

The Masterplan shows illustrative interventions across a wider area following the ambition of the Planning Scheme to integrate with Sean Moore Park and the surrounding neighbourhoods.

This engagement and agreement with Dublin City Council will enable an incoming developer to fast track planning applications and thereby expedite the delivery of residential and non-residential development on the site.

The Masterplan and Phase 1 Public Realm and Infrastructure Planning Application was lodged on 14 June 2019, Ref: PWSDZ3270/19, see [dublincity.ie](http://dublincity.ie) for full details.





## RESIDENTIAL

The SDZ Planning Scheme provides an opportunity to create a quality urban living environment with its own character and identity, centered around an urban village core, strengthened by supporting community facilities, modern services and local employment opportunities. The ambition is for Pembroke to develop as a balanced community, well integrated with the established community and the existing neighbourhoods.

### Build to Rent

The Guidelines on the design of apartments - "Sustainable Urban Housing: Design Standards for New Apartments Guidelines for Planning Authorities" published by the Department of Housing, Planning and Local Government in March 2018 distinguish between apartments designed for sale and apartments designed for rent (BtR) with the latter having greater flexibility in design. The Poolbeg West Planning Scheme permits one Build to Rent (BtR) apartment scheme for each of the four urban blocks on the IGB/Fabrizia sites and each such scheme is to comprise no more than 150 apartments. In other words, 600 out of the 3,500 homes can be designed to the BtR standards. This does not prevent the renting of apartments that are designed to the Build to Sell standard.

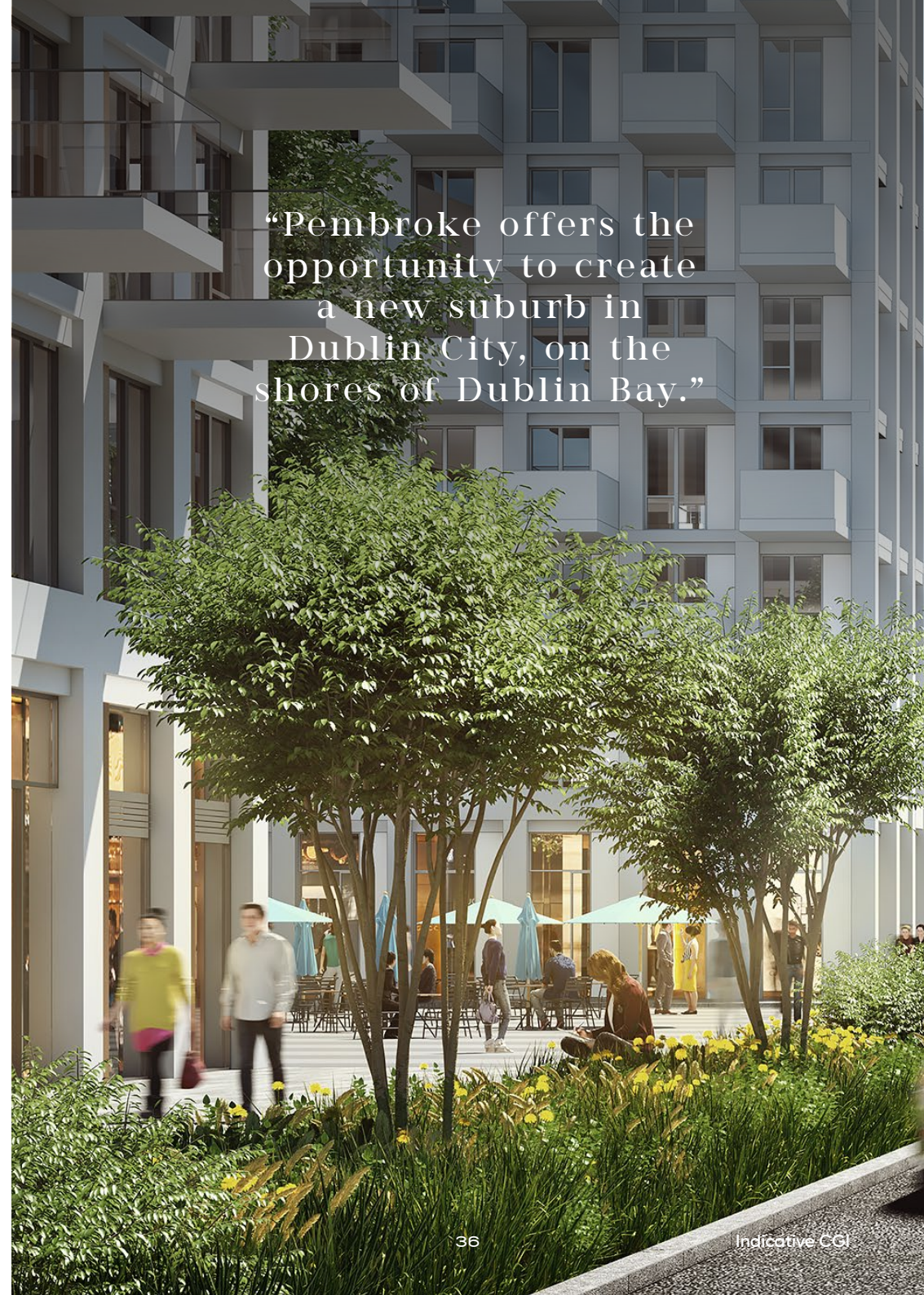
### Part V

The normal statutory Part V (Social Housing) requirement will apply to the residential element of Pembroke.

### Affordable

The Planning Scheme requires that prior to commencement of development and subject to confirmed funding and value for money considerations, a commercial agreement shall be entered into between Dublin City Council, the Department of Housing and the owners/developers of the site to provide 15% for social and affordable purposes.

Please see Transaction Data Room for further details.



“Pembroke offers the opportunity to create a new suburb in Dublin City, on the shores of Dublin Bay.”





## COMMERCIAL

Dublin is one of the most attractive global locations for new business, entrepreneurship and international companies, being the city of choice for the EMEA headquarters of many of the world's leading tech companies. The commercial uses proposed within this Planning Scheme have two main elements:

- (i) neighbourhood district level retailing and
- (ii) office and enterprise/start up uses.

### Complementary Uses

The Planning Scheme provides for supporting community and social infrastructure to be delivered in tandem with new residential development. The Scheme provides for retail areas that can accommodate small supermarkets and a range of supporting retail and retail services up to a maximum of 5,000 sq.m.







## Commercial

Masterplanned to the highest standards, Pembroke is a blank canvas where you can create up to 1,000,000 sq. ft. of modern offices and other commercial uses, including hotel, leisure and retail to exceed the highest international standard.

Pembroke has the potential to provide a range of office typologies to reflect the key growth sectors and to meet business life-cycle needs from start-up to growth phase to maturity and consolidation.

Pembroke offices has the potential to deliver Dublin's next office quarter; a unique, campus-style working environment just 1.3km from the established Docklands. The Masterplan envisages a modern office campus, providing a critical mass of adjoining Grade A office blocks supported by a wide range of amenities.

In a city where residential accommodation is at a premium, businesses that locate at Pembroke will benefit from being adjacent to 3,500 apartments providing accommodation for over 8,000 residents. Pembroke is more than just a place of work; it is a purpose built campus offering an ideal balance between working and social lifestyles.





A new campus  
at the water's edge.





# PEMBROKE COMES TO LIFE WITH NATURAL BEAUTY ON YOUR DOORSTEP





# PARKS, PUBLIC REALM & OPEN SPACE

The public realm structure follows the principles illustrated and described in the formation of the Urban Structure of the Planning Scheme that can be summarised as follows:

## Connectivity

The basis of the urban structure emerges from creating a number of key connections; to the city centre via South Bank Link and the future Dodder Bridge, to Ringsend Park through new Central Boulevard and new Coastal Link connecting with Pine and Bremen Road, to Sean Moore Park through South Bank Link and the Village Green, and to the coastal path and Irishtown Nature Park through the Coastal Promenade.

## Permeability

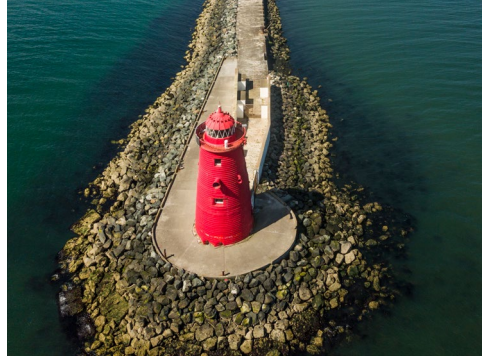
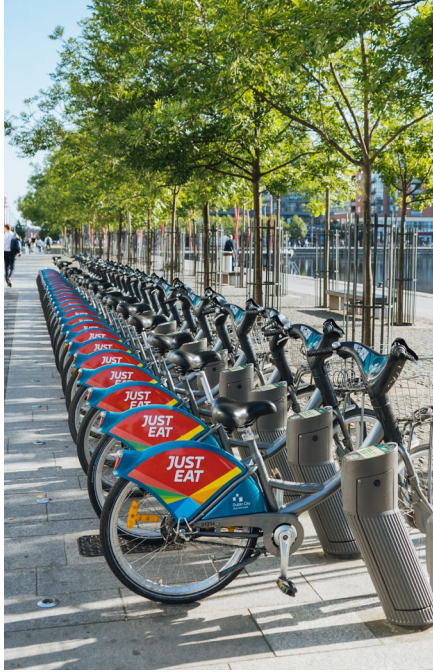
The Planning Scheme emphasizes the creation of 'a highly permeable and easy to navigate urban structure'. The Masterplan builds on this principle by designing crossings, junctions, accessible routes and landscape transitions to facilitate movement through the site and along its edges.

## Quality of Spaces & Views

The public realm edge alignments are further refined in the Planning Scheme to engage with and open up views towards Sean Moore Park and the Dublin Mountains, maximise views towards Dublin Bay and terminate views by creating offsets in the alignments of internal streets.





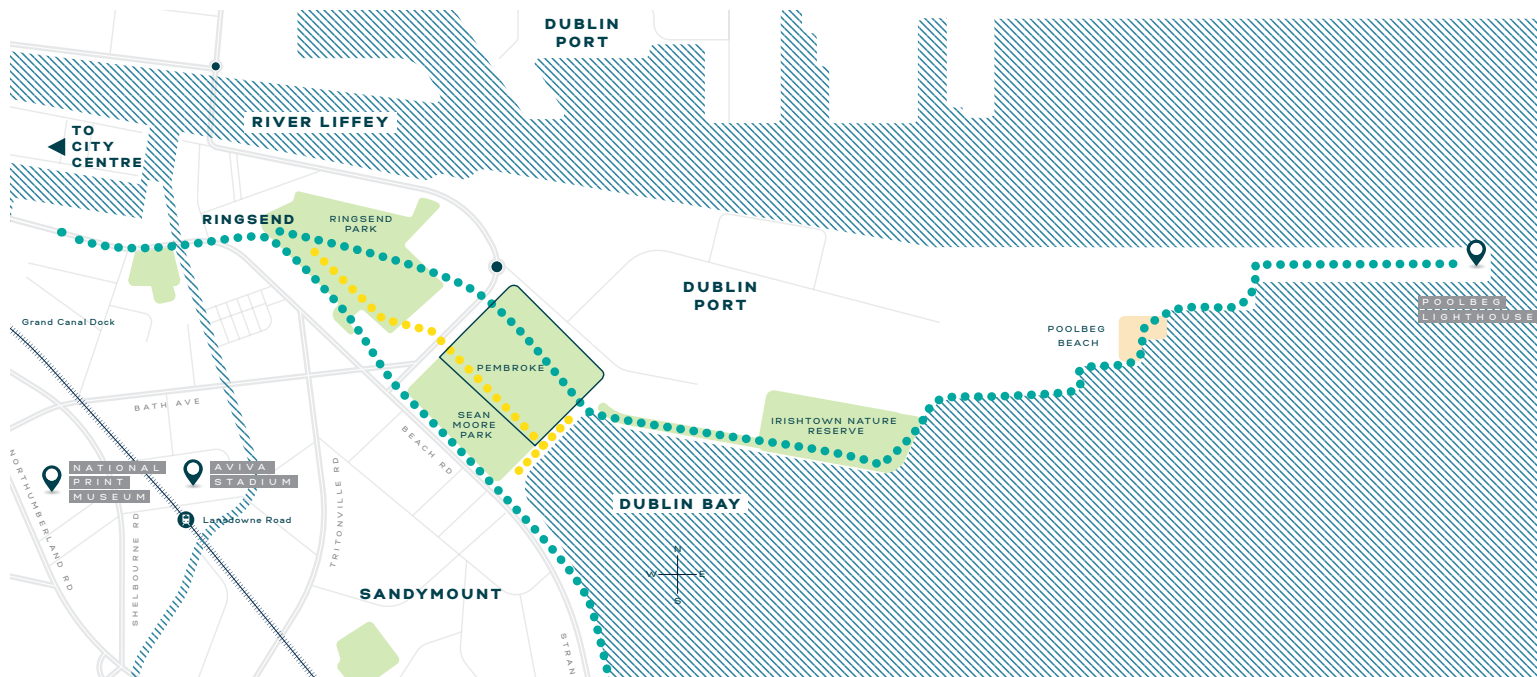


## Green Routes

Following the Planning Scheme's theme for connectivity, two main green routes set the site in the context of the wider green network of the city, connecting the centre of Dublin with Dublin Bay and Poolbeg Lighthouse. They form part of the greenway network, which aims to encourage sustainable modes of movement across the city.

The northernmost route starts at the city centre and reaches the site through Ringsend Park and Pine Road. This directly links with the Central Boulevard, the main street in the Masterplan, and runs through to the coastal promenade and onto the coastal path, passing by Irishtown Nature Reserve and Poolbeg Beach before arriving at Poolbeg Lighthouse via South Bull Wall.

The second route diverts from the first one just before Ringsend Park. It runs along the south-western edge of Sean Moore Park to continue along Beach Road to the south towards Sandymount and beyond. Both routes are connected at the newly proposed Coastal Promenade on the seafront as part of this Masterplan.



Extract from Public Realm Masterplan application (Allies and Morrison, June 2019)

..... Proposed Green Routes





## Public Open Space, Sports and Recreation

Close to the SDZ are a range of open space, sport and recreational facilities. The open space contained in Sean Moore Park, Sandymount Strand, Ringsend Park/ Irishtown Athletics Stadium, Sandymount Green and water-based activities on the River Liffey and Dublin Bay are all within close proximity of the Planning Scheme area.

The public realm is designed to encourage an active community, with a range of facilities and different types of space for all age groups. The main spaces facilitating recreation play and events are described further below:

### The Village Green

The Village Green is designed as a natural space with a central open lawn into which play equipment is integrated to cater for children and adults alike.

Proposals for the Village Green facilitate its use for events and informal gatherings, providing recreation for all residents and visitors with a landscaped events space with a terraced arrangement where the Village Green meets Sean Moore Park.

### The Neighbourhood Square

A multi-functional hard surfaced space suitable for a range of staged events and informal gatherings. Proposals include seating, planting and artwork. The space would be fronted by retail uses with active frontage encouraged along the majority of its perimeter consistent with the Planning Scheme.

### The Promenade/Boardwalk

Designed as an urban space with integrated play equipment, this gives children the possibility to play and be physically active in a setting where they and their carers can sit, talk, and enjoy the landscape/views towards Dublin Bay. Play along this route integrates with the intention for retail frontage and encourages dwell time on the promenade as well providing a route through.



Extract from Public Realm Masterplan application (Allies and Morrison, June 2019)





# COMMUNITY

## Education & Childcare Facilities

The Department of Education and Skills was consulted as part of the SDZ Planning Scheme preparation and it was established that a primary school site would be reserved in the SDZ. It is envisaged that this is provided within the second Phase of development. The Planning Scheme seeks the provision of childcare facilities in new residential developments to cater for local demand.

## Community, Cultural, Creative & Artistic Space

Community is at the heart of the Pembroke vision. Pembroke is surrounded by three established and mature communities in Ringsend, Irishtown and Sandymount. These 'urban villages' support thriving residential neighbourhoods sustained by a range of retail, commercial, community and recreational facilities. A key objective of the Planning Scheme is to integrate the new development with these villages and communities.

The new neighbourhood at Pembroke will add an additional focal point, creating an interconnected network of community centres in this part of the city. This supports existing facilities and activity in Sandymount, Irishtown and Ringsend, and provides new resources and opportunities for the established communities living in the area.

The Planning Scheme prescribes that up to 5% of space being allocated is to be used for social, community, cultural, creative and artistic purposes.



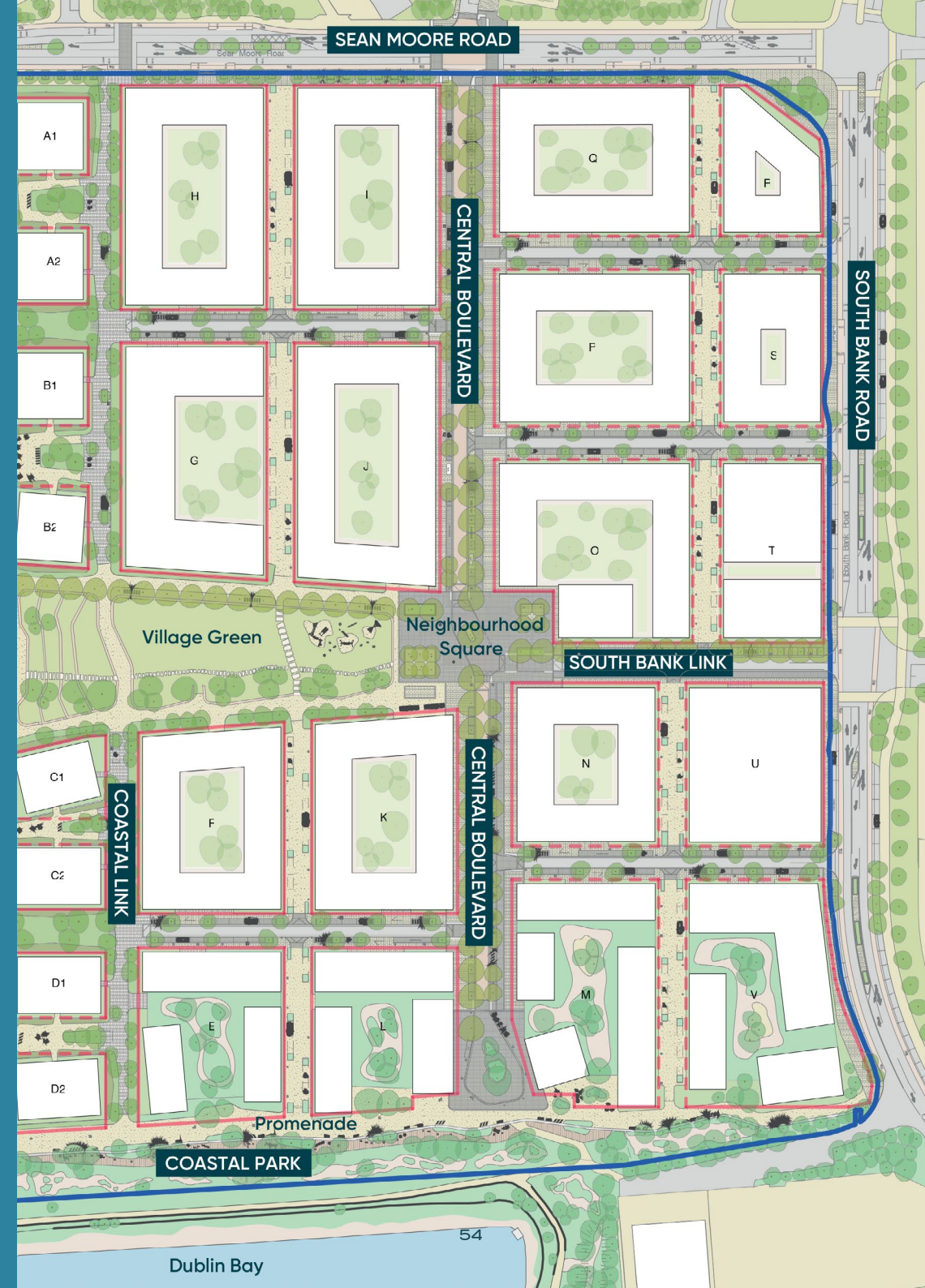




# INFRASTRUCTURE

The SDZ Planning Scheme aims to provide a high quality public infrastructure which supports and advances the City Council's Climate Change Strategy. The SDZ area forms part of a larger catchment area for infrastructure and this needs to be considered when proposing future plans for the development of the area.

A detailed strategy for waste water, water supply, electricity and telecommunications, heating supply and natural gas is outlined in the Phase 1 Infrastructure Planning Application (Ref: PWSDZ 3270/19).



CENTRAL BOULEVARD

SOUTH BANK ROAD

SOUTH BANK LINK

CENTRAL BOULEVARD

COASTAL LINK

COASTAL PARK

Dublin Bay

54





# PHASING

**Sequencing of development is outlined within the SDZ Planning Scheme. The phasing requirements are based on 3 principles, with which each application for development must demonstrate compliance;**

1. Each block shall include supporting uses or services or amenity space to be delivered in tandem with housing.
2. All development north of the boulevard must be delivered in tandem with "buffering" commercial buildings, or other significant landscaping and/or acoustic measures.
3. Transport connections must be prioritised, with certain elements delivered prior to the occupation of any new housing.

| Phase 1   | Infrastructure Requirements  | Responsible stakeholder                                  |
|---|--|--|
| Enabling Infrastructure & development of up to one third of the site. Applications for housing up to this threshold must include the infrastructure identified for this phase.  | 1. Remediation works necessary for the development of each site block.   | Developer/Landowner                                      |
|   | 2. Upgrade to Sean Moore Rd, including new junction access.  | Dublin Port/ DCC/ developer/National Transport Authority |
|   | 3. School site landscaped awaiting DES progression to construction.  | Dept Education & Skills Landowner                        |
|   | 4. Bus route within site is completed and available to use.  | Developer/Landowner                                      |
|   | 5. Cycle routes and service roads connecting from active sites to SeanMoore Road completed.  | DCC /NTA /Developer                                      |
|   | 6. Retail services up to 30% delivered as minimum.   | Developer/Landowner                                      |
|   | 7. New Village Green amenity space developed with parts of central boulevard and coastal link also provided.   | Developer/Landowner                                      |
|   | 8. Community Facilities: (i) Delivery of block scale community & arts spaces in tandem with each housing site (as per table 4.1). (ii) Management and funding mechanism for new multi-functional community hub facility agreed with Dublin City Council and development under construction by end of Phase 1 as a minimum. | Developer/Landowner                                      |
|   | 9. A strategy for underground services and utilities shall be developed for Area A as a prerequisite to the approval of any planning applications within the Strategic Development Zone. This is to recognise that infrastructure and utilities are required to be dealt with at site level.                               | Developer/Landowner                                      |
| Phase 2   | Infrastructure Requirements  | Responsible stakeholder                                  |
| Remaining Lands. Granting of permissions for housing units and commercial developments on remaining two thirds of the lands is dependent on these projects having construction contracts signed or under construction or where relevant incorporated into the applications. | 1. Replacement of Sean Moore Roundabout and completion of upgrade of Sean Moore Rd   | Developer/Landowner/ Dublin City Council                 |
|   | 2. New/Extended bus routes operating within SDZ.   | NTA/Bus Operator   |
|   | 3. Delivery of remaining park and amenity areas.   | Developer  |
|   | 4. Community Facilities<br>(i) Delivery of block scale community & arts spaces in tandem with each housing site (as per table 4.1.)<br>(ii) Community Hub building under construction and due for opening prior to the making available by the developer for occupation  | DES/Developer  |
|   | 5. Dodder Bridge project under construction and operational before occupation of remaining lands.  | DCC /NTA / Developer                                     |
|   | 6. New pedestrian & cycle facilities at Tom Clarke (East-Link) bridge commissioned.  | DCC /NTA / Developer                                     |

Source: Poolbeg West SDZ Planning Scheme April 2019





# RESEARCH

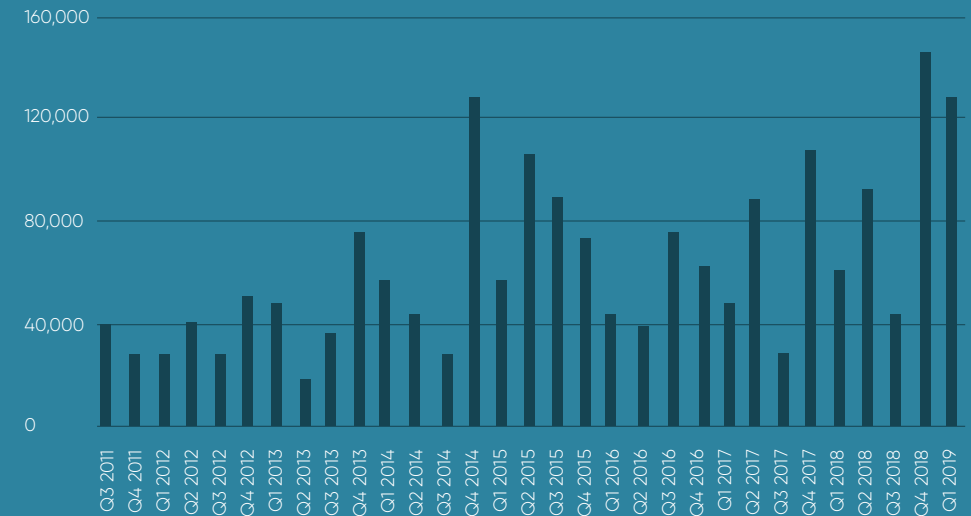
## Office Market Overview

- Total employment across Ireland rose by 2.3% in 2018, with 50,500 new jobs added over 2018.
- Strong jobs growth made 2018 a record year for office lettings in the Capital
- Q1 2019 has continued in the same vein, with 130,235 sq. m. of space taken – the second highest quarterly take-up recorded in over a decade.
- The ICT sector has been a major driver, accounting for 55.4% of take-up in 2018, and 55.8% in Q1 2019.
- Vacancy rate across Dublin now stands at 8.4% of stock (Figure 2).
- Savills research suggests headline rents of €700 per sq. m. per annum are being achieved for the best buildings in the best locations.

## Lettings Activity

Strong jobs growth made 2018 a record year for Dublin office lettings. Total take-up of purpose-built office space in Dublin was 345,783 sq. m. (Figure 1), representing an increase of 25% on the previous year. Q1 2019 has continued in the same vein, with 130,235 sq. m. of space taken – the second highest quarterly take-up recorded in over a decade.

Figure 1: Dublin Office Take-Up (Q3 2011 - Q1 2019)

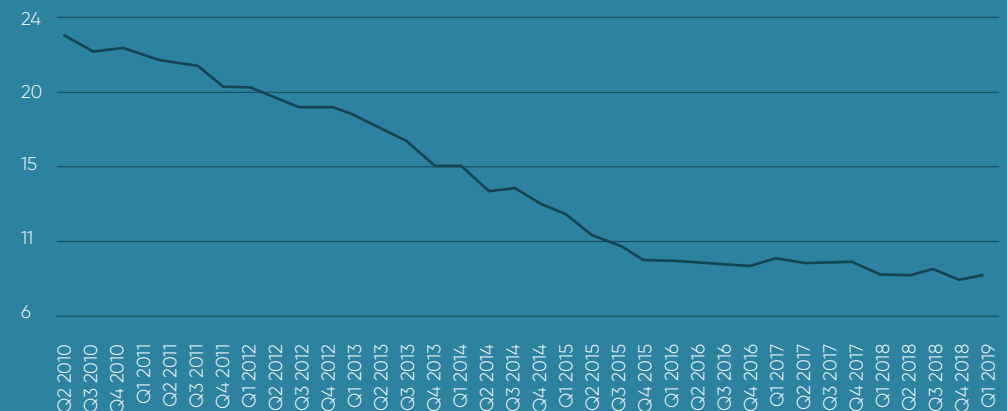


Source: Savills Research

Reflecting the changing nature of Ireland's economy, the ICT sector has been a major driver of Dublin office employment and

take-up in recent years, with technology firms accounting for 55.4% of take-up in 2018, and 55.8% in Q1 2019.

Figure 2: Vacancy Rate - Dublin Offices







# RESEARCH

## Residential Market Overview

6.9% ↑

Average residential rents nationally rose by 6.9% in the year to December 2018

6.7% ↑

GDP growth of 6.7% in 2018

4.3% ↑

Residential prices nationally rose by 4.3% over the 12 months to February 2019

1.5% ↑

Dublin's population rose by 1.5% in 2018

4.5% ↓

Unemployment rate of 4.5%.

3.2% ↑

Residential transactions rose by 3.2% in 2018



## Economic Overview

Ireland had one of the fastest growing economy in the EU last year with GDP growth of 6.7%. Some 50,500 new jobs were added in the year and unemployment is now down to 4.5%. Earnings have responded to the tightening labour market with average pay rates of 3.4% in Q1 2019. However, when we include employment gains and the tax cuts of recent budgets, real aggregate disposable income growth is stronger still, averaging over 5% per annum over the last four quarters.

## Transactions

Residential transactions rose by 3.2% in 2018, with 63,168 units trading (21,285 in Dublin). Looking at regional trends, sales have risen more quickly in Dublin with total transactions up by 3.6%. This is partly because the focus of new housing development has been on the capital. But it also reflects demographic pressures feeding into demand – Dublin's population rose by 1.5% in 2018, compared with an estimated 1.1% elsewhere in the country.

## Supply and Demand

Some 18,023 residential dwellings were completed in Ireland in 2018, a 25.2% increase on the 14,399 built a year previously. Of these 6,910 (38.3% of total output) were in Dublin. This compares to Dublin's current 28.3% share of the national population and 26.7% share of the housing stock, demonstrating that the focus of new development is on the capital.

There has been a shortage of residential property in recent years. But housing output has been increasing strongly since 2015, to the point where the gap between supply and demand has been narrowed. With continued population growth it is clear that output will have to be maintained at least at its current level over the coming years to prevent another housing scarcity from emerging.

## Prices and Rents

Residential prices nationally rose by 4.3% over the 12 months to February 2019. Prices in Dublin grew by 1.4% over the same period, with HPI in the capital slowing sharply and consistently from 13.0% in April 2018. A small amount of this slowdown (12.7%) can be attributed to the base effect – as average prices rise the same money value uplift naturally leads to smaller- and-smaller percentage increases. At the margin, mortgage restrictions may have also contributed to slowing inflation. But this factor should not be overplayed as non-mortgaged buyers accounted for 49.2% of last year's purchases and cash investors (including corporates) stand ready to purchase residential property even if owner-occupiers are frustrated by tight finance. A more cogent analysis, therefore, is that house price inflation is primarily slowing due to a narrowing gap between supply and demand.





## Rental Market

Demand for rented accommodation continues to be driven by the affordability challenges of home ownership. This has led to a major tenure shift towards private renting. Based on estimates from the Labour Force Survey, 144,000 households were renting privately in Dublin at the end of 2018 (26.7% of all households in the capital), a 10.8% increase on the same period twelve months earlier. Despite an expansion in the overall stock of properties in Dublin's PRS, vacancy at 1.38% is significantly below the Natural Vacancy Rate (NVR) which Savills econometrically estimates to be 5.19% in the capital. Theory suggests that if the actual vacancy rate lies beneath the NVR the market is undersupplied and rents will be rising, and that is exactly what is happening.

Average residential rents nationally rose by 6.9% in the year to December 2018. Despite Dublin being a designated Rent Pressure Zone (RPZ), rents grew by 7.9% over the same period. Rental growth in properties that had not previously been let and those that have undergone substantial changes – both of which are excluded from the rent caps – would appear to explain why growth in the capital continues to exceed the regulated rate of 4% per annum.



## Housing Policy

The Government has endeavoured to stimulate housing development activity through a range of supply-side measures, including:

- New national apartment planning guidelines: The new guidelines allow for a certain amount of smaller studio type apartments in certain managed developments, reduce the minimum number of units with dual aspect, increase the maximum number of units per lift / stair core and relax car parking provision requirements in city centre locations and those served by public transport.
- Stamp duty refund scheme: The rate of stamp duty on non-residential transactions is 6%. However, a stamp duty refund scheme is in place for buyers of land purchased for residential purposes, whereby 4% of the stamp duty paid will be refunded. The scheme is not open-ended. Construction operations must commence on, or before, 31 December 2021 and a 2-year time limit is allowed for completion. This effectively means that the scheme will terminate on 31 December 2023.

# FURTHER INFORMATION

## Contact

Please see REI document as mentioned under "The Opportunity" section of this brochure.



National Asset  
Management Agency

[pembrokedublinfour.com](http://pembrokedublinfour.com)

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